



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

FEB 02 2007

901 Locust Street, Suite 462  
Kansas City, MO 64106-2641

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 26, 2007

Mr. Royce Ramsay  
Vice President, Operations  
Northern Natural Gas Co., Inc.  
1111 S. 103rd Street  
Omaha, NE 68124

**CPF 3-2007-1009W**

Dear Mr. Ramsay:

On August 15-17, 2006, a representative of the Michigan Public Service Commission acting as an Interstate Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your facilities and records in Negaunee, Michigan.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

1. **§192.491 Corrosion control records.**

(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to §§ 192.465(a) and (c) and 192.475(b) must be retained for as long as the pipeline remains in service.

During the M-35 replacement project, the inside of the pipeline was observed for internal corrosion, but an inspection report was not completed. Your personnel indicated that the inspection was done but not documented.

2. **§192.225 Welding procedures.**

**(a) Welding must be performed by a qualified welder in accordance with welding procedures qualified under section 5 of API 1104 (ibr, see §192.7) or section IX of the ASME Boiler and Pressure Vessel Code "Welding and Brazing Qualifications" (ibr, see §192.7) to produce welds meeting the requirements of this subpart. The quality of the test welds used to qualify welding procedures shall be determined by destructive testing in accordance with the applicable welding standard(s).**

According to the API 1104 Welder Qualification Test Report, one of the welders that worked on the M-35 replacement project was not qualified correctly to API 1104 standards. The correct number of destructive tests were not performed; only two root-bend tests were used for branch-on-pipe multiple welding qualification. The welder was listed as qualified for branch-on-pipe welding even though API 1104 section 6.3.1 requires four Nick-Break tests for multiple welding qualification.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Be advised that failure to do so will result in Northern Natural Gas Co. being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2007-1009W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b); along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

*for Donald E. Moore*  
Ivan A. Huntoon  
Director, Central Region

Pipeline and Hazardous Materials Safety Administration

